



**Testimony
Betsy Gara
Executive Director
Connecticut Council of Small Towns
Before the
Planning & Development Committee
February 3, 2021**

The Connecticut Council of Small Towns (COST) **opposes HB-6106 - AN ACT ESTABLISHING A PROPERTY TAX EXEMPTION FOR CERTAIN RENEWABLE ENERGY SOURCES AND HYDROPOWER FACILITIES**, as drafted, to the extent it expands an existing property tax exemption.

Although COST supports efforts to promote renewable energy sources, given the ongoing fiscal challenges facing municipalities and the uncertain economic impact that COVID-19 will have on residents and businesses, the state must refrain from expanding or establishing any new property tax exemptions, which will make it very difficult for towns to fund the delivery of critical programs and services to residents. Moreover, this proposal will shift a greater burden to other property taxpayers, many of whom are experiencing financial difficulties.

COST understands that due to ambiguities in the existing statute, some property owners have been denied tax exempt status for certain renewable energy sources because they are participating in net metering and/or lease rather than own the system. If this issue is clarified in legislation, municipalities whose assessors relied on a plain reading of the statute to deny a property tax exemption should not be required to reimburse such property owners for taxes paid.

To equitably resolve this issue, COST would be willing to work with lawmakers, assessors and other stakeholders to clarify the tax exemption and ensure that it is limited in applicability to assessments beginning on or after October 1, 2021.

Thank you for the opportunity to comment on HB-6106.